

Boyd, Jocelyn

2009-485

217902

**From:** jfg [jfg@guastella.com]  
**Sent:** Tuesday, July 14, 2009 6:02 PM  
**To:** 'Edwards, Nanette'; Boyd, Jocelyn; Terreni, Charles; Melchers, Joseph  
**Cc:** rconorato@roadrunner.com; ckmaterials@yahoo.com; 'Morgan, Willie'; 'Hipp, Dawn'  
**Subject:** RE: Complaint of Haig Point Utility Inc. v. Melrose Utility Company, Inc.

Nanette,

By copy of this email to all parties, I am confirming on behalf of DIUC (Haig) that at this point in time it would be preferable to hold this matter in abeyance pending negotiation of the sale of Melrose between Melrose's Trustee and Mr. Karabinchak.

Thank you for your assistance, and the cooperation of all parties.

Regards,  
John

G<sub>2</sub> Utility Management LLC  
Manager of Daufuskie Island Utility Company, Inc.

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**From:** Edwards, Nanette [mailto:nsedwar@regstaff.sc.gov]  
**Sent:** Tuesday, July 14, 2009 4:18 PM  
**To:** Boyd, Jocelyn; charles.terreni@psc.sc.gov; Melchers, Joseph  
**Cc:** rconorato@roadrunner.com; jfg@guastella.com; ckmaterials@yahoo.com; Morgan, Willie; Hipp, Dawn  
**Subject:** re: Complaint of Haig Point Utility Inc. v. Melrose Utility Company, Inc.

Charlie, Joseph and Jocelyn:

I am sending this email in response to conversations I have had today with the Bankruptcy Trustee, the Mr. R.C. Onorato, and Mr. Guastella (representative for Haig Point). This matter arises from a complaint filed by Daufuskie Island Utility Company, Inc., f/k/a Haig Point Utility, Inc. against Melrose Utility Company, Inc. In the complaint, Haig alleges that Melrose has failed to make proper payments for contract services rendered. However, Melrose Utility is in bankruptcy which raises jurisdictional questions.

On or about June 23, 2009, Mr. Guastella submitted prefiled testimony in this matter on behalf of Haig. ORS has not filed testimony which was due July 7, 2009 and does not intend to file testimony. Based on my conversation with Mr. R.C. Onorato, it is my understanding that there are ongoing negotiations to transfer or sell Melrose to CK Materials/ Daufuskie Island Utilities and as part of that transaction the issues giving rise to this complaint would be resolved.

I likewise contacted Mr. Guastella, and he confirmed that Mr. Jamie Karabinchak, a principle or owner of CK Materials, has been in negotiations to acquire Melrose. In light of the foregoing, I asked Mr. Guastella as to whether Haig would prefer to have this complaint held in abeyance by the Commission. Haig does not currently have an attorney representing them in this matter before the Commission, and I did ask Mr. Guastella as to whether Haig intends to retain counsel prior to hearing which is currently set for Aug. 4<sup>th</sup>. Mr. Guastella indicated that he felt Haig would benefit from the Commission holding this matter in abeyance and that if this matter were to go to hearing, Haig would retain counsel.

Although I represent ORS in this matter and cannot act as counsel for the other parties, it appears to me that judicial economy would be best served by holding this matter in abeyance thereby allowing Mr. Karabinchak on behalf of Haig and the Bankruptcy Trustee, Mr. R.C. Onorato to focus on concluding their negotiations.

If on the other hand, negotiations are not successful, Haig can move forward with retaining counsel and file a request with the Commission to proceed with this matter, if it so chooses.

I do ask that Mr. Guastella confirm via email and copy all the parties, of his desire to have the Commission hold Haig's complaint in abeyance.

Thank you for your attention to this matter and please advise if the Commission would require a letter from Mr. Guastella requesting the abeyance in addition to his email.

Very truly yours,

Nanette S. Edwards

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